

REFERENCE TITLE: bond elections; publicity pamphlets; costs

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

HB 2516

Introduced by
Representatives Rosati: Allen J, Burges, Knaperek, Smith

AN ACT

AMENDING SECTION 35-454, ARIZONA REVISED STATUTES; RELATING TO COUNTY AND OTHER MUNICIPAL INDEBTEDNESS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 35-454, Arizona Revised Statutes, is amended to
3 read:

4 35-454. Informational pamphlet for election; review; election;
5 return; canvass of vote; certificate of election;
6 arguments; deposit

7 A. The governing body or board of the political subdivision shall:
8 1. Not less than ten days and not more than fifty days before the bond
9 election mail a copy of an informational pamphlet to the residence of each
10 registered voter within the political subdivision. The pamphlet shall
11 contain information on the:

- 12 (a) Amount of the bond authorization.
13 (b) Maximum interest rate of the bonds.

14 (c) Estimated debt retirement schedule for the current amount of bonds
15 outstanding, showing both principal and interest payments, the current
16 secondary assessed valuation as reported by the department of revenue or the
17 county assessor and the current adopted and estimated tax rates. In this
18 paragraph, "secondary assessed valuation" may include the values used to
19 determine voluntary contributions collected pursuant to title 9, chapter 4,
20 article 3 and title 48, chapter 1, article 8.

21 (d) Estimated debt retirement schedule for the proposed bond
22 authorization, showing both the estimated principal and interest payments and
23 the estimated average annual tax rate for the proposed bond authorization. In
24 preparing this information and the information prescribed by subdivision (c),
25 the projected total annual increase in secondary assessed valuation for any
26 future year shall not exceed:

27 (i) For the first five years of the estimated debt retirement
28 schedule, the average of the annual percentage growth for the previous ten
29 years in the secondary assessed valuation of the political subdivision.

30 (ii) For the remaining years of the estimated debt retirement
31 schedule, twenty per cent of the average of the annual percentage growth for
32 the previous ten years in the secondary assessed valuation of the political
33 subdivision.

34 (e) Source of repayment.

35 (f) Estimated issuance costs.

36 (g) Estimated tax impact on the owner-occupied residential property,
37 agricultural property and commercial and industrial property for the current
38 year in the political subdivision. The tax impact shall be shown for
39 property with a full cash value of one hundred thousand dollars and for
40 property with an average assessed valuation for that class, as determined by
41 the governing body or board. The tax impact shall show the projected average
42 annual cost of the proposed bond authorization, including principal and
43 interest, over the life of the proposed bond authorization. The information
44 on estimated tax impact shall be set forth in substantially the following
45 form:

Estimated average annual tax rate per \$100 of secondary assessed valuation: \$_____

[The following table for each specified class of property] _____ property

(assessed at ____%)

<u>Assessor's full cash value</u>	<u>Secondary assessed value</u>	<u>Estimated annual cost</u>
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(*) \$
\$100,000 \$

\$100,000 _____ \$ _____
(Other values)

(Other values
may be included) _____ \$ _____

(*) Estimated average value

1) In bold faced type, est:

(n) In bold faced type, estimated total cost of the proposed bond authorization, including principal and interest.

(i) Current outstanding general obligation debt and constitutional debt limitation.

(j) Purpose for which the bonds are to be issued.

(k) Polling location for the addressee.

(1) Hours during the day when the polls will be open.

(m) Arguments for and against the authorization of one or more of the

bond propositions.

2. Submit a copy of the informational pamphlet to the department of revenue within thirty days after the bond election. The department of revenue shall maintain copies of the pamphlets.

B. The failure of any one or more electors to receive the informational pamphlet shall not be grounds to invalidate the election. The election shall conform with the general election laws of the state. The return of the election held in a county shall be made to the board of supervisors and, in any other case, to the governing body or board of the municipal corporation or district within twelve days after the election.

C. For any proposed general obligation bond authorization where the principal and interest will be paid by a levy of property taxes, the ballot shall contain the phrase "the issuance of these bonds will result in an annual levy of property taxes sufficient to pay the debt on the bonds".

D. If the governing body intends to use revenues other than property taxes to pay the debt on proposed general obligation bonds, the ballot shall contain the phrase "the issuance of these bonds will result in an annual levy of property taxes sufficient to pay the debt on the bonds, unless the governing body provides for payment from other sources".

E. The board of supervisors, governing body or governing board shall hold a special meeting within twenty days after the election to canvass the votes cast and certify the result. The certificate of the result shall be prima facie evidence of full performance of all conditions and requirements precedent to holding the election.

1 F. The governing board or body shall file and record in the office of
2 the county recorder a certificate disclosing the purpose of the election, the
3 total number of votes cast and the total number of votes for and against
4 creating the indebtedness, and stating whether or not the indebtedness is
5 ordered. Upon filing and recording the certificate, the governing board or
6 body shall carry out the purpose of the election.

7 G. Variations between the estimates required by subsection A and the
8 actual debt retirement schedules, issuance costs, annual and total costs and
9 tax rates shall not invalidate either the election or the bonds.

10 H. A PERSON WHO FILES AN ARGUMENT SHALL DEPOSIT FIFTY DOLLARS WITH THE
11 CLERK OF THE GOVERNING BOARD OR BODY FOR THE PURPOSE OF OFFSETTING A PORTION
12 OF THE PROPORTIONATE COST OF THE PAPER AND THE PRINTING OF THE ARGUMENT. FOR
13 AN INFORMATIONAL PAMPHLET OR BOND ELECTION THAT CONTAINS MORE THAN ONE BOND
14 QUESTION, THE GOVERNING BOARD OR BODY SHALL NOT REQUIRE A PERSON WHO FILES AN
15 ARGUMENT TO SUBMIT ARGUMENTS ON MORE THAN ONE BOND MEASURE OR QUESTION.